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STATE FOR EAP/MLS, PRM/A, AND ECA/PE/V/F/A FOR MICHAEL CAIN

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TAGS: [PGOV](#) [PREL](#) [PHUM](#) [PREF](#) [SOCI](#) [ECON](#) [EAGR](#) [VM](#)

SUBJECT: CENTRAL HIGHLANDS LEADERS ROLL OUT WELCOME MAT IN DAK LAK

REF: HCMC 406

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Summary

¶1. (SBU) During the Ambassador's two-day trip to Dak Lak March 17-18, Central Highlands officials spoke positively about their recent Voluntary Visitor (VolVis) trip to the United States, reiterating their desire to promote more two-way exchanges. While skeptical about the perceived credibility of a possible GVN-USG public information campaign to clarify US resettlement requirements, Dak Lak leaders reacted favorably to the idea of having a "trusted" NGO with experience in Vietnam promote safe migration and provide accurate information about USG resettlement. Provincial People's Committee Chairman Lu Ngoc Cu described a litany of government assistance programs and plans to assist ethnic minorities, adding that the proportion of government resources devoted to ethnic minorities is beginning to breed resentment among the majority ethnic Vietnamese population. Bad weather will mean lower yields for Dak Lak's biggest cash crop -- coffee -- but some farmers see a bright future through a new USAID-funded cocoa cultivation program. End summary.

Seeing is Believing

¶2. (SBU) Members of the Central Highlands Steering Committee (CHSC), a centrally-appointed GVN advisory group, gave a glowing account of their travels in the U.S. under the auspices of the Voluntary Visitor Program in March, which included provincial leaders from Dak Lak, Kontum and Gia Lai. The officials told the Ambassador they appreciated the opportunity to meet with people "face-to-face," and said they were surprised by the lack of current and accurate information the American public had regarding conditions in the Central Highlands. Noting "nothing is the same as seeing it for yourself," the group agreed more exchanges between the U.S. and Vietnam were needed to clear up misunderstandings and strengthen ties.

¶3. (SBU) When asked about the demonstrations by Montagnard advocacy groups in Greensboro, North Carolina, CHSC officials were unperturbed, noting they had been well-briefed by their US hosts on the potential for protests and understood why some groups would be upset about their visit given the "lack of accurate information" they had regarding ethnic minority developments in the Central Highlands. CHSC officials repeated their desire to host US groups on visits to the region so they could see the changes for themselves. (Comment: Information from news reports and contacts in North Carolina suggest that the delegation's defensive attitude and sometimes impolite behavior

-- walking out of meetings and home hospitality events, for example -- may also have contributed to tensions. End comment.)

Trusted NGO Partner Needed

¶4. (SBU) CHSC officials also raised concerns about the continued "migration" of ethnic minorities from the Central Highlands to Cambodia, noting the increasing number of reports that human traffickers are luring their customers with promises of economic benefits and "an easy life" when resettled to a third country. CHSC officials said going the "legal way" (i.e., through the Consulate's Humanitarian Resettlement Section (HRS)), requires funds to travel the 300 kilometers from Dak Lak to Ho Chi Minh City and to pay the non-refundable interview fees--an option not available for many poor ethnic minority families. (Note: There is no interview fee. The cost of travel is a significant burden for Visas-93 applicants, but we do not know why the officials mentioned a nonexistent interview fee. Applicants more commonly complain to HRS about the cost of obtaining GVN-issued documents. End note.)

¶5. (SBU) CHSC officials were somewhat skeptical that a joint public awareness campaign would help to counter the rumors circulating about USG resettlement programs, saying ethnic minorities "would not believe what the GVN or the USG told them." The officials did respond favorably to the idea of allowing an NGO with experience in Vietnam to disseminate information about safe migration and USG resettlement policies. They suggested coverage of the "realities" of the UNHCR camps in Cambodia would be valuable. They also welcomed HRS's offer to hold workshops for local officials on USG resettlement policies. (Note: HRS is now working with its GVN contacts in HCMC to develop a plan that will win central government approval on this sensitive topic. End note.)

Chairman Cu on Ethnic Minority Aid

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¶6. (SBU) Dak Lak People's Committee Chairman Lu Ngoc Cu briefed the Ambassador on a variety of GVN assistance programs for ethnic minorities, primarily through Program 134, which provides basic sanitation, housing and allocation of residential and agricultural lands, as well as Programs 139 and 159, which offer comprehensive medical, educational and electricity subsidies. To date, Chairman Cu said, Dak Lak has allocated over 8,000 hectares of farm land and provided access to clean water to all ethnic minority villages in the province. All thirteen districts have boarding schools for ethnic minority children and electricity has been provided to 2,238 villages. Cu said Dak Lak has spent VND 94 billion (USD 5,875,000) of its provincial budget on ethnic minorities' medical insurance in 2007, a 30 per cent increase from 2006. Cu expects all Program 134 targets to be met by the mid-2008, adding that 411 more villages will be wired into the provincial power grid by the end of 2009.

¶7. (SBU) Though these assistance programs are making a material difference in the lives of ethnic minorities, Chairman Cu's comments made it clear they can also be another source of tension between ethnic minority and Kinh majority communities. Cu said that "ethnic minorities get what Kinh people (the Vietnamese majority) must pay for" and said "Kinh people have started to complain that they are now the ones facing discrimination."

Coffee vs. Cocoa

¶8. (SBU) Coffee growers in Dak Lak, which with 178,000 hectares devoted to coffee cultivation is Vietnam's largest coffee growing province, said unfavorable weather this year will reduce yields by half in some areas, offsetting the boon of high global coffee prices. But in a few years, coffee profits may be rivaled by the rise of a new cash crop in the Central Highlands

-- cocoa.

¶9. (SBU) In an effort to promote crop diversification and assist poor and ethnic minority farmers in the area, the USAID-funded ACDI/VOCA program began working in 2006 with approximately 1,600 farmers in Dak Lak to promote the cultivation of cocoa. Most are members of the M'Nong ethnic minority who live outside Dak Lak's coffee growing areas. Cocoa is an especially advantageous crop for Vietnamese farmers because prices have remained relatively stable for the last several years and world cocoa consumption continues to grow rapidly. In addition, cocoa requires less irrigation and in Vietnam it is more often grown in the shade of existing crops than coffee. Success will take time, however, since cocoa trees require about three years to produce their first pods and producing high quality cocoa requires careful local processing. Farmers and local partners we spoke with agree it will take several years of steady funding and training to make the program a success.

¶10. (SBU) Comment: The Ambassador's trip took place before the recent wave of protests struck the Central Highlands (reftel). Reporting on those developments are being sent septel. End Comment.

¶11. (U) This cable was coordinated with Embassy Hanoi.
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